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ZZ CAPITAL INTERNATIONAL LIMITED

中植資本國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08295)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange in respect of the concentration of shareholding of the Company in the hands of a limited number of Shareholders as at 30 April 2019.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the shares of the Company (the “Shares”) could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

This announcement is made by ZZ Capital International Limited 中植資本國際有限公司 (the “**Company**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the concentration of shareholding of the Company in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 30 April 2019.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement (the “**SFC Announcement**”) has been published by the Securities and Futures Commission (the “**SFC**”) on 22 May 2019.

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that as at 30 April 2019, a group of 19 Shareholders held an aggregate of 634,490,000 Shares, representing 17.87% of the issued Shares. Such shareholding, together with 2,615,372,627 Shares (representing 73.66% of the issued Shares) held by the controlling shareholder of the Company, represented 91.53% of the issued Shares as at 30 April 2019. Therefore, only 300,634,209 Shares (representing 8.47% of the issued Shares) were held by other shareholders.

As set out in the SFC Announcement, as at 30 April 2019, the shareholding structure of the Company was as follows:

	Number of Shares held <i>(Shares)</i>	% of total number of issued Shares <i>(%)</i>
Mr. XIE Zhikun (<i>Note 1</i>)	2,615,372,627	73.66
A group of 19 shareholders	634,490,000	17.87
Other shareholders	<u>300,634,209</u>	<u>8.47</u>
Total	<u><u>3,550,496,836</u></u>	<u><u>100.00</u></u>

Note 1: Out of the 2,615,372,627 Shares, 2,159,552,102 Shares were held by Zhong Zhi Xin Zhuo Capital Company Limited and 455,820,525 Shares were held by Kang Bang Qi Hui (HK) Company Limited, both of which are indirectly wholly-owned by Zhongzhi Capital Management Company Limited which in turn is owned as to 95% by 中海晟融(北京)資本管理有限公司. 中海晟融(北京)資本管理有限公司 is owned as to 99.93% by 中海晟豐(北京)資本管理有限公司 which is wholly-owned by Mr. XIE Zhikun.

As stated in the SFC Announcement:

- (a) During the period from 1 January 2019 to 3 April 2019, share price of the Company closed between HK\$0.075 and HK\$0.125, with an average daily turnover of 236,533 Shares (HK\$24,463) only.
- (b) The closing price of the Shares increased 343% from HK\$0.115 on 3 April 2019 to reach a high of HK\$0.510 on 30 April 2019, while the average daily turnover also surged to 9,500,102 Shares (HK\$3,802,120). Since then, the share price eased slightly and closed between HK\$0.400 and HK\$0.510 during the period from 2 May 2019 to 20 May 2019, with a slightly reduced average daily turnover of 6,833,307 Shares (HK\$3,249,672).
- (c) As at 21 May 2019, the Shares closed at HK\$0.440, which was 282.6% higher than the closing price of HK\$0.115 on 3 April 2019.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to clarify that the above information is extracted from the SFC Announcement and the Board has not independently verified such information. Accordingly, the Board is not in a position to comment on the accuracy of the above information except for (i) the shareholding of Mr. XIE Zhikun in the Company; and (ii) the information set out in paragraphs (a) to (c) above. Please refer to the SFC Announcement for further details.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries, the Company confirms that not less than 25% of the Company's issued Shares were/are held in public hands as at 30 April 2019 and as at the date of this announcement and the Company is able to comply with the public float requirement under the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”).

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

By Order of the Board
ZZ Capital International Limited
中植資本國際有限公司
DUAN Di
Chairman

Hong Kong, 22 May 2019

As at the date of this announcement, the executive Directors are Ms. DUAN Di (Chairman) and Ms. ZHANG Yun (Chief Executive Officer); the non-executive Director is Mr. FU Chi King Johnson; and the independent non-executive Directors are Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong and Mr. ZHANG Longgen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the website of GEM at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.zzcapitalinternational.com.